



General Terms and Conditions of Delivery for Machinery and Spare Parts

(Translation of the original General Terms of Delivery, interpretation of these conditions being based solely on the German text)

1. General information

These General Terms and Conditions of Delivery apply to all purchasing contracts entered into between companies of the Jakob Müller Group (Supplier) and the customer (Purchaser). Excluded are purchase contracts handled via the "mymueller@" online service portal for which the general terms and conditions of delivery published on the "mymueller@" online service portal apply.

The contract shall be concluded with the receipt of the written confirmation of the Supplier that it accepts the order (order acknowledgement).

These General Terms and Conditions of delivery are binding, if they have been declared as applicable in the tender or the order acknowledgement. Other conditions of the Purchaser shall only be valid should the Supplier accept them expressly and in writing.

In order to be valid, all agreements and declarations of legal relevance from the contractual parties require the written form. Declarations in written form that are communicated or recorded via electronic media shall be equivalent to the written form.

2. Scope of the supply

The order is accepted and performed solely within the framework of the written order acknowledgement of the Supplier. Verbal arrangements to the contrary are invalid. Subsequently requested changes concerning execution, quantity, etc., require the written acknowledgement (with order number) of the Supplier. Unless otherwise agreed mutually in writing, the delivery will include only those accident-prevention measures that are customary in the country of the manufacturer. The consequences of failure to observe safety regulations in the country of installation will be the sole responsibility of the Purchaser and it shall fully indemnify the Supplier and/or manufacturer.

3. Prices

Unless otherwise agreed, all prices are understood as being net ex-works, without packaging in the currency offered and without any deductions. All additional costs, e.g. for freight, insurance, authorisations, certifications, taxes, levies, fees and customs duties shall be borne by the Purchaser.

The prices quoted are based on the material and production costs valid at the time the contract is concluded. If any substantial changes occur, the Supplier reserves the right to adjust its prices accordingly. Increases due to altered rates of exchange will be borne by the Purchaser. If, in exceptional cases and as opposed to these General Terms and Conditions, the charges for freight, customs duties, taxes, etc., are included in the prices quoted, the order acknowledgement or the pro-forma invoice, they shall be deemed as based on the rates current at that time. Should these rates increase or be supplemented by the time the contract is delivered, whether this be in arrears or not, then additional costs will be borne by the Purchaser; conversely, reductions in tariffs will be credited to the Purchaser. Unless they have already been expressly covered in the contract, any subsidiary and customary services, such as packaging, assembly, subsequently ordered additional accessories, etc., will be charged separately.

4. Conditions of payment

Unless otherwise agreed in writing, the following conditions shall apply: one-third with the order, two-thirds when the goods are ready for dispatch at the Supplier's production facilities, payable net to the place of residence of the Supplier. In the case of a justified request, the Purchaser may be subsequently and in writing granted a period of grace in which to make payment. Upon expiry of the payment period, the Purchaser will be liable to default interest at the rate of 5% p.a. If, after the conclusion of the contract or before expiry of the payment period, it becomes evident that the Purchaser finds itself in financial difficulties, then the Supplier shall be entitled to require security for the outstanding payments through a bank that it finds

acceptable. If the security is not forthcoming within a reasonable time, the Supplier shall have the right to withdraw from the contract and debit the Purchaser for any expenditure that it may have incurred. Standard subsidiary services must be paid strictly net upon receipt of invoice. Stamp duty or other expenditure will be borne by the Purchaser. In the case of part-deliveries, partial payment must be made in keeping with the extent of the delivery made. If special terms of payment have been agreed, then the payments will become due even if the delivery has been delayed through no fault of the Supplier, or if the Purchaser, despite notification of readiness by the Supplier, does not accept or commission the machines. Likewise, faults or subsequently required additional work do not constitute cause for postponement of payment.

5. Delivery dates

The delivery dates indicated are not binding. However, the Supplier will endeavour to maintain the delivery dates to the best of its ability. Non-compliance with the following conditions shall entitle the Supplier to postpone the delivery dates: receipt of the first partial payment and license to export or import at the time of acknowledging the order; settlement of all construction or other technical supplementary work, connected with the order, or subsequently necessitated thereby. If the appropriate documents, payments and information are received only after the order acknowledgement of the Supplier, then the delivery period can be adapted to any change that may have been made to the delivery programme in the meantime. Subsequent modification of the original order may delay the delivery accordingly. No claims may be asserted for compensation for direct and/or indirect losses occasioned by delays in delivery. Failure to comply with the delivery date does not constitute a right to withdraw from the contract. Moreover where different types of machines are ordered at the same time, the Supplier reserves the right to adjust the sequence of manufacturing to its planned production series, regardless of the envisaged delivery date.

6. Transport, insurance, storage

Transport and any storage of the machines en route, or at the destination, will be carried out at the risk, peril and expense of the Purchaser, even in the case of freight-prepaid deliveries. The Supplier shall in no way be held liable for damage or losses connected with consignments or parts thereof after they have left its production facilities. When the consignment arrives, the Purchaser must check the goods and inform the carrier and the Supplier without delay, of any defects. In order to safeguard the right of recourse against the carriers, the Supplier recommends that damage to, or shortages of component parts or accessories, be officially recorded without delay when the goods are received. If when the goods are ready for dispatch and in spite of a request by the Supplier, the Purchaser has supplied no instructions concerning dispatch, transport, insurance or customs clearance, then the Supplier reserves the right to act entirely upon its own discretion. If there is occasion to retain machines that are ready for shipment at the production facilities of the Supplier, then the Purchaser shall bear the costs of storage and insurance.

7. Warranty, liability for defects

For equipment supplied and correctly installed, the Supplier offers a 12-month warranty that commences on the day of start-up, or a warranty for a maximum of 15 months from the date of ex-works dispatch of the delivery, depending upon which event occurs first. The warranty for spare parts expires 12 months following ex-works dispatch of the delivery.

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A precondition of the warranty is that all the mechanical accessories required for operation have been acquired through the Supplier directly, or otherwise in accordance with its instructions. The



Supplier declines any warranty for machines that have been installed by the Purchaser itself, in spite of its indication that installation by its specialists was essential, or where, despite an invitation, the Purchaser has failed to send any experts to visit the Supplier for the instruction courses, which it conducts.

Parts that during the warranty period can be shown to be unusable or defective as the result of inferior material or improper manufacture, will be repaired immediately and at the expense of the Supplier, or if necessary, be replaced. The Purchaser undertakes to notify the Supplier at once of any such defects and to await its instructions. A claim of the Purchaser to contract withdrawal or a reduction in the purchase price is excluded. The Supplier shall not be held liable to make good any further damage, occasioned by inadequate instruction of the operating staff, improper operation or faulty maintenance, or replace parts that are subject to natural wear. Similarly, the Supplier will not be liable to accept a claim for replacement under warranty, unless it is informed immediately in writing when the defect is discovered, or in the event that its appropriate instructions have not been heeded. For components and accessories that are not of the Supplier's manufacture, both the Supplier and its suppliers offer equal warranty. The machines and their components are carefully checked in the production facilities of the Supplier during manufacture and after completion. Should the Purchaser require more extensive tests and checks, it must bear their expense.

The warranty relates expressly and solely to the aforementioned replacement obligation. Any more extensive direct or indirect claim, e.g. replacement of defective produced goods, loss of processed material, loss of orders and profits, or compensation for production losses, will not be entertained.

8. Force Majeure

If, as the result of war, natural disasters, strikes, shortages of materials, shortages of freight space, the failure of import or export permits or currency exchange to arrive by the due date, or for any other reason which is beyond the control of the Supplier, delays in delivery occur, the effect of which is that the delivery dates are (substantially) exceeded, the Supplier shall be entitled to adapt prices, delivery dates and other conditions to the new circumstances. If such a revision proves impossible, then the Supplier may withdraw from the contract and suitably charge the expenses that it has incurred.

9. Reservation of ownership

The ownership of the contractual goods passes to the Purchaser after payment of the complete price, as well as any expenses arising by virtue of a bill of exchange or cheque procedure. Prior to this, the Purchaser may not mortgage, assign as security or resell the contractual goods. If a delivery takes place without the purchase price having been paid in full, the Supplier reserves the right to register ownership in the competent public registers at the expense of the Purchaser, insofar as reservation of ownership towards third parties acting in good faith is linked to this proviso.

10. Assembly

This can be performed either at a fixed price or at standard rates on the basis of the conditions of assembly of the Supplier, which can be sent to the Purchaser upon request.

11. Limited production capability of delivered machinery

The Supplier shall be entitled to limit the production capability of the machinery that it supplies should the Purchaser be in arrears with the fulfilment of its contractual obligations, especially when these relate to the payment of due invoices.

Prior to the limitation of the production capability of the machinery delivered by the Supplier, the Purchaser shall receive a reminder by e-mail, telefax or courier service regarding the subsequent fulfilment of its obligations subject to a reasonable period of grace and containing a warning of the limitation of the production capability of the machinery delivered by the Supplier in the case of the

unsuccessful expiry of the period of grace allocated to the Purchaser.

As soon as the reasons for the limitation of the production capability of the machinery delivered by the Supplier no longer apply, it will provide the Purchaser with an electronic key per e-mail, which it can then download in order to restore the unlimited production capability of the delivered machinery.

12. Documents and intellectual property

Illustrations, drawings, printed material, tables, etc. are not binding upon the Supplier. It reserves the right to make modifications in the final execution of the items ordered. Correspondingly, the dimensions and weights provided in quotations and order acknowledgements must be regarded as approximate. Thread and spanner sizes are based on the international metric system. Drawings, illustrations and literature of all kinds, quotations and other documents issued by the Supplier, remain its property and may not be made available to third parties, be duplicated without its written consent, or misused for self-manufacture of the corresponding objects.

13. Third party rights

The Supplier requests that it be noted that its machines have a very wide range of uses and may infringe the rights held by third parties for certain applications. Therefore, the Supplier accepts no liability for any such employment of the machine that may infringe third party rights. It is entirely the Purchaser's responsibility to clarify whether a given use of the machine infringes any third party rights.

14. Software

If the deliveries made by the Supplier include software, unless otherwise formally agreed, the Purchaser will be allocated the non-exclusive right to employ the software together with the delivery object. The Purchaser shall not be permitted to copy the software (unless for archiving purposes, defect searches, or the replacement of faulty data carriers), or process it. In particular, without the prior written consent of the Supplier, the Purchaser may not disassemble, decompile, decode or reverse engineer the software. Should an infringement occur, the Supplier shall be entitled to revoke the usufruct right. In the case of third party software, the conditions for use of the licensor shall apply and if a violation of such conditions takes place, the licensor may also assert a claim in addition to that of the Supplier.

15. Place of performance

The place of performance for delivery and payment shall be the place of residence of the Supplier.

16. Jurisdiction and applicable law

16.1. The place of jurisdiction for both the Purchaser and the Supplier shall be at the registered office of the Supplier. The Supplier shall, however, be entitled to take legal action against the Purchaser at the latter's registered address.

16.2. The present contract and General Terms and Conditions of Delivery shall be governed by the substantive law of the country in which the Supplier is resident, to the exclusion of the United Nations Treaty regarding the International Sale of Goods (CISG).

16.3. The present Terms and Conditions of Delivery replace all earlier contrary conditions and form an integral and constituent part of the quotations and order acknowledgements issued by the Supplier.